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# HOUSE BILL No. 1079

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-13-2-14.4.

**Synopsis:** Cost benefit analysis of outsourcing. Requires a state agency to do a cost benefit analysis before entering into a contract for services. Requires the department of administration to compile a report on the cost benefit analysis for each contract.

**Effective:** Upon passage.

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**Stilwell**

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January 5, 2006, read first time and referred to Committee on Employment and Labor.

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Introduced

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

## HOUSE BILL No. 1079

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-13-2-14.4 IS AMENDED TO READ AS  
2       FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.4. **(a) As used**  
3       **in this section, "cost benefit analysis" means a comprehensive**  
4       **study to identify and compare the total cost, quality, technical**  
5       **expertise, and timeliness of a service performed by a state**  
6       **employee with the total cost, quality, technical expertise, and**  
7       **timeliness of the same service provided under a contract for**  
8       **services.**

9       **(b) Before a state agency may enter into a contract for services to be**  
10       **provided in lieu of appointing employees to available positions, the**  
11       **agency must justify the cost effectiveness of the contract to and**  
12       **conduct a cost benefit analysis for the commissioner of the**  
13       **department of administration.**

14       **(c) Before April 1 and October 1 of each year, the commissioner**  
15       **of the Indiana department of administration shall compile and**  
16       **make available for public inspection a report concerning the cost**  
17       **benefit analysis of each contract for services awarded by each state**



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1     **agency during the preceding state fiscal year. The commissioner**  
2     **shall also submit a copy of the report to the general assembly in an**  
3     **electronic format under IC 5-14-6.**

4         **SECTION 2. An emergency is declared for this act.**

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